

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 02-0395

Use Tax

Calendar Years 1999 and 2000

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ISSUE

I. Use Tax – Computerized Golf Booth

Authority: IC 6-2.5-3-2; 45 IAC 2.2-3-4

The taxpayer protests the assessment of use tax on its golf booth.

II. Tax Administration – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

The taxpayer protests the penalty.

III. Tax Administration – Interest

Authority: IC 6-8.1-10.1

The taxpayer protests the interest.

STATEMENT OF FACTS

Upon audit, it was discovered that the taxpayer failed to remit Use Tax on a computerized golf booth, cameras, signs, stone, baskets, and rubber tees. Taxpayer had no use tax accrual system in place.

I. Use Tax- Computerized Golf Booth

DISCUSSION

The taxpayer protests the Department's assessment of use tax on its computerized golf booth.

Taxpayer states that the company from whom it purchased the golf booth is out of business and it could not get a copy of the invoice. Taxpayer states that the company is out of state and has no way of checking to see if sales tax was charged.

The hearing officer explained that a company must be registered with the Indiana Department of Revenue to collect the sales tax and offered to check with the Department. Since the company from whom the taxpayer purchased the golf booth is not registered with the Indiana Department of Revenue, Indiana sales tax could not have been remitted. Use tax is due from the taxpayer.

FINDINGS

The taxpayer's protest is denied.

II. Tax Administration – Penalty

DISCUSSION

Taxpayer protests the penalty assessed and has not provided reasons.

Taxpayer had no use tax accrual system in place. The ST-103 clearly has a line for use tax for items that had no sales tax assessed. The Indiana Code and Regulations are clear regarding the payment of use tax.

FINDINGS

Taxpayer's protest is denied.

III. Tax Administration - Interest

DISCUSSION

Taxpayer protests the interest assessed. The Department has no authority to waive interest.

FINDINGS

Taxpayer's protest is denied.

CONCLUSION

Taxpayer's protest is denied for issues I, II, and III.